
KINGWEST RESOURCES LIMITED

ACN 624 972 185

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Notice is given that the Meeting will be held at:

TIME: 11.00am WST
DATE: Friday 22 November 2019
PLACE: Level 11, London House
216 St Georges Terrace,
PERTH WA 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4:00 pm (WST) on Wednesday, 20 November 2019.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.

BUSINESS OF THE ANNUAL GENERAL MEETING

AGENDA

Reports and Accounts

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019, together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019.”

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – ELECTION OF MR ADRIAN BYASS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of clause 18.10 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Adrian Byass, a Director who was appointed casually as a Director on 18 September 2019, retires and, being eligible, is elected as a Director with immediate effect.”

3. RESOLUTION 3 – ELECTION OF MR JONATHAN PRICE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 18.10 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Jonathan Price, a Director who was appointed as an additional Director on 18 September 2019, retires and, being eligible, is elected as a Director with immediate effect."

4. RESOLUTION 4 – RE-ELECTION OF MR STEPHEN BROCKHURST

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 18.2 of the Constitution and for all other purposes, Stephen Brockhurst, a Director, who retires by rotation and, being eligible, is re-elected as a Director with immediate effect."

5. RESOLUTION 5 – ISSUE OF SHARE APPRECIATION RIGHTS TO MR ADRIAN BYASS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 750,000 Share Appreciation Rights to Adrian Byass (or his nominee/s) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director of the Company who is eligible to participate in the Company's Performance Rights Plan in respect of which the approval is sought, or any associates of those Directors (**Resolution 5 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 5 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 6 – ISSUE OF SHARE APPRECIATION RIGHTS TO MR STEPHEN BROCKHURST

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 250,000 Share Appreciation Rights to Stephen Brockhurst (or his nominee/s) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director of the Company who is eligible to participate in the Company's Performance Rights Plan in respect of which the approval is sought, or any associates of those Directors (**Resolution 6 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 6 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those person) who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

Dated: 17 October 2019

By order of the Board

**DAVID MCENTAGGART
COMPANY SECRETARY
KINGWEST RESOURCES LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at 11.00 WST on Friday 22 November 2019 at Level 11, London House, 23 St Georges Terrace, Perth.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

A Proxy Form is located at the end of the Explanatory Statement.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's 2019 Annual Report to Shareholders unless specifically requested to do so. The Company's 2019 Annual Report is available on its website at www.kingwestresources.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

Section 250R of the Corporations Act provides that the Company is required to put the remuneration report to the vote of Shareholders.

1.2 Voting Consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

1.3 Previous voting results

As this Meeting is the Company's first Annual General Meeting, there are no previous voting results and accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

1.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***by signing and returning the Proxy Form you expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

To the extent allowable by the Corporations Act, the Chair intends to exercise all undirected proxies in favour of Resolution 1.

If you appoint any other person as your proxy:

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

1.5 Voting Exclusion

A voting exclusion applies to this Resolution 1, which is set out in the Notice under Resolution 1.

2. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS

2.1 General

Clause 18.9 of the Constitution states that the Directors may appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing number of Directors.

Pursuant to Clause 18.10 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

2.2 Resolution 2 – Election of Mr Adrian Byass

Adrian Byass, having been appointed by other Directors on 18 September 2019 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

a) Qualifications and other material directorships

Mr Byass has over 20 years' experience in the mining and minerals industry. This experience has principally been gained through evaluation and development of mining projects for a range of base, precious and specialty metals and bulk commodities. Due to this experience in resource estimation and professional association membership, Mr Byass is a competent person for reporting to the ASX for certain minerals. Mr Byass also has experience in corporate finance, capital raising, permitting and delivery of production-ready mining projects.

Mr Byass is also an executive director of Infinity Lithium Corporation and a non-executive director of Galena Mining Limited and Fertoz Limited, all of which are ASX listed companies.

b) Independence

Mr Byass has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

If elected the Board considers Mr Byass to be an independent director.

c) Board recommendation

The Board (excluding Mr Byass) supports the election of Mr Byass and recommends that shareholders vote in favour of Resolution 2.

The Chair of the meeting intends to vote undirected proxies in favour of Resolution 2.

2.3 Resolution 3 – Election of Mr Jonathan Price

Jonathan Price, having been appointed by other Directors on 18 September 2019 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

a) **Qualifications and other material directorships**

Mr Price has over 25 years' experience in Australia and overseas across all aspects of the industry including exploration, development, construction and mining operations in the gold and advanced minerals sector. Jon graduated as a metallurgist and holds a Masters in Mineral Economics from the Western Australian School of Mines. He then worked in various gold and advanced mineral operations including general manager of the Paddington gold and St Ives gold operations in the Western Australian goldfields.

Mr Price is the Managing Director of Horizon Minerals Limited.

b) **Independence**

If elected the Board does not consider Mr Price to be an independent director. Mr Price is the managing director of Horizon Minerals Ltd (ASX:HRZ) which holds a 19.9% interest in the Company pursuant to the Menzies Gold Project acquisition.

c) **Board recommendation**

The Board (excluding Mr Price) supports the election of Mr Price and recommends that shareholders vote in favour of Resolution 3.

The Chair of the meeting intends to vote undirected proxies in favour of Resolution 3.

3. RESOLUTION 4 – RE-ELECTION OF STEPHEN BROCKHURST

3.1 General

Clause 18.2 of the Constitution states that one third of the Company's directors must retire at each annual general meeting. Accordingly, Mr Brockhurst retires by rotation and, being eligible, offers himself for re-election.

3.2 Resolution 4 – Election of Mr Stephen Brockhurst

Stephen Brockhurst who has served as a director since the Company's incorporation on 13 March 2018, retires by rotation in accordance with the Constitution and seeks re-election.

a) **Qualifications and other material directorships**

Mr Brockhurst is the founding Director of Mining Corporate Pty Ltd and has 15 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses on a number of initial public offers. His experience includes corporate and capital structuring, corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements.

Mr Brockhurst has served on the board and acted as Company Secretary for numerous ASX listed and private companies. He is currently a Director of Estrella Resources Limited and Nelson Resources Limited.

b) **Independence**

If elected the Board considers Mr Brockhurst to be an independent director.

c) **Board recommendation**

The Board (excluding Mr Brockhurst) supports the re-election of Mr Brockhurst and recommends that shareholders vote in favour of Resolution 4.

The Chair of the meeting intends to vote undirected proxies in favour of Resolution 4.

4. RESOLUTIONS 5 AND 6 – ISSUE OF SHARE APPRECIATION RIGHTS TO DIRECTORS

4.1 General

The Company's Shareholders approved the Company's Performance Rights Plan at the General Meeting held on 10 September 2019.

As announced on 10 October 2019, Company Directors Adrian Byass and Stephen Brockhurst, accepted an offer of Share Appreciation Rights subject to Shareholder approval being obtained for the issue of those SARs.

Resolutions 5 and 6 each seek Shareholder approval for the issue of SARs to certain Directors.

4.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (i) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (ii) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the SARs constitutes giving a financial benefit and Adrian Byass and Stephen Brockhurst (**Related Parties**) are related parties of the Company by virtue of being Directors. The Directors (other than Mr Byass in relation to Resolution 5 and Mr Brockhurst in relation to Resolution 6, given their material personal interests in these respective Resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of SARs pursuant to Resolutions 5 and 6 because the SARs are being issued as a reasonable form of potential remuneration. It is therefore considered that the exception in section 211 of the Corporations Act applies.

4.3 Listing Rule 10.14

Listing Rule 10.14 requires prior shareholder approval to be obtained for the issue of any securities under an employee incentive scheme to a director, an associate of a director, or a person whose relationship with the company, a director or associate of a director is, in ASX's opinion, such that approval should be obtained.

As the issue of the SARs involves the issue of securities under an employee incentive scheme to a Director of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required unless an exception applies.

4.4 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the SARs:

- (i) The related parties are Adrian Byass and Stephen Brockhurst and they are related parties by virtue of being Directors.
- (ii) A total of 1,000,000 SARs will be issued, as follows.
 - (A) Resolution 5: 750,000 SARs to Adrian Byass.
 - (B) Resolution 6: 250,000 SARs to Stephen Brockhurst.
- (iii) The SARs being issued under each of Resolutions 5 and 6 are being issued for nil cash consideration. The amount payable upon exercise of each Share Appreciation Right is the 10-day VWAP prior to 4 October 2019, being \$0.28 (**Strike Price**). The Company, at the Board's absolute discretion will either:
 - (A) require the holder to pay the Strike Price per SAR being exercised in Australian currency in cleared funds into a bank account nominated in advance by the Company (or other means of payment acceptable to the Company), and will settle the exercise of those exercised SARs by issuing Shares; or
 - (B) notify the holder that the Company will settle exercise of the SARs by way of a cash payment, pursuant to which the Company will settle the exercise of those exercised SARs by making a cash payment equal to the value of the difference between the Strike Price of the SARs and the current market value of Shares based on the 10-day VWAP of Shares prior to the day the holder is notified (**Premium**).
- (iv) The terms of the SARs are in accordance with the Performance Rights Plan (a summary of which is set out in Schedule 2 of the Company's Notice of General Meeting released on 6 August 2019) subject to the key terms and conditions of the SARs set out in Schedule 2.
- (v) None of the Directors, nor their associates, have previously received securities under the Performance Rights Plan since its approval by Shareholders at the Company's General Meeting held on 10 September 2019.
- (vi) All of the Company's Directors, Mr Jonathan Price, Mr Stephen Brockhurst, Mr Adrian Byass and Mr Stephen Woodham are eligible employees under the Plan and are therefore entitled to participate. Other than the issue of SARs to Messrs Byass and Brockhurst, the Company is not seeking approval to issue any other SARs to any other Directors under the Plan at this time.
- (vii) There are no loans associated with the issue of the SARs.
- (viii) The SARs to be issued pursuant to each of Resolutions 5 and 6 are intended to be issued on one date, which will be no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (ix) A voting exclusion statement for each of Resolutions 5 and 6 is contained in the Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the SARs to the Related Parties as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the SARs to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less at the time of the relevant annual general meeting. As at the date of this Meeting, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$25,648,595 (based on the number of Shares on issue and the closing price of Shares on the ASX on 4 October 2019).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities which may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(c)).

5.2 Technical information required by ASX Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 7 for it to be passed.

(b) Equity Securities

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue the following classes of Equity Securities:

- (i) 88,812,926 ordinary shares quoted on ASX;
- (ii) 11,769,800 ordinary shares not quoted on ASX; and
- (iii) 15,750,000 options not quoted on ASX with an exercise price of \$0.20 and an exercise period expiry date of 30 June 2021.

- (iv) 2,700,000 options not quoted on ASX with an exercise price of \$0.39 and an exercise period expiry date of 30 June 2022.
- (v) 5,150,000 options not quoted on ASX with an exercise price of \$0.54 and an exercise period expiry date of 30 June 2022.
- (vi) 1,970,000 Share Appreciation Rights not quoted on ASX with a strike price of \$0.28 and an expiry date of 7 October 2024.

(c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period (refer to section 4.2(f)), a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rules 7.1 or 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid ordinary shares cancelled in the 12 months.

(Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.)

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 100,582,726 ordinary shares and therefore has a capacity to issue:

- (i) 15,087,409 Equity Securities under Listing Rule 7.1; and

- (ii) subject to shareholder approval being obtained under Resolution 7, 10,058,273 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date referred to in section 4.2(e)(i), the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- (ii) the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

5.3 Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period in addition to using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of at least 75% of the votes cast by shareholders entitled to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) on the Resolution.

5.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows to the extent that such information is not disclosed elsewhere in this Explanatory Memorandum:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in section 4.4(a)(i), the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
- (i) the market price for the Company's Equity Securities in the same class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities in the same class on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the risk of voting dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the market price as at 4 October 2019.

Variable "A" in formula in Listing Rule 7.1A.2		Issue Price		
		\$0.1275 50% decrease in issue price	\$0.255 Issue price	\$0.51 100% increase in issue price
Current Variable "A" 100,582,726 shares	10% voting dilution	10,058,273 shares	10,058,273 shares	10,058,273 shares
	Funds raised	\$1,282,430	\$2,564,860	\$5,129,719

50% Increase in current Variable "A" 150,874,089 shares	10% voting dilution	15,087,409 shares	15,087,409 shares	15,087,409 shares
	Funds raised	\$1,923,645	\$3,847,289	\$7,694,579
100% Increase in current Variable "A" 201,165,452 shares	10% voting dilution	20,116,545 shares	20,116,545 shares	20,116,545 shares
	Funds raised	\$2,564,860	\$5,129,719	\$10,259,438

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
 - No current Options are exercised into Shares before the date of the issue of the Equity Securities.
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements pursuant to the 10% Placement Capacity, based on that shareholder's holding at the date of the Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A and no other issues of Equity Securities.
 - The issue of Equity Securities under the 10% Placement Capacity consists only of shares.
 - The issue price is \$0.255, being the closing price of the shares on ASX on 4 October 2019.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as referred to in the Note to Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition),

continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities and the number of Equity Securities allotted to each will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - (i) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which the existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
 - (v) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.
- (g) The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 23 November 2018 (**Previous Approval**).

The Company issued 2,984,560 Shares on 1 August 2019 using its 7.1A Placement Capacity using the Previous Approval.

During the 12-month period preceding the date of the Meeting, being on and from 23 November 2018, the Company otherwise issued a total of 49,772,726 Shares and 7,850,000 Options which represents approximately 86.6% of the total diluted number of Equity Securities on issue in the Company on 23 November 2018, which was 66,560,000.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Schedule 1.

- (h) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion statement in this Notice.

5.5 Directors recommendations

None of the Directors have material personal interest in the subject matter of Resolution 7. The Board recommends Shareholders vote in favour of Resolution 7 as it will preserve the Company's cash and provides the Company with the flexibility to

issue further Securities representing up to 10%, in addition to using the Company's 15% placement capacity under Listing Rule 7.1, of the Company's share capital during the next 12 months without Shareholder approval.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 7.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the Proxy Form by post to Kingwest Resources Limited, GPO Box 2517, Perth WA 6831;
- (b) send the Proxy Form by e-mail to davidm@miningcorporate.com.au; or
- (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

GLOSSARY

10% Placement Capacity has the meaning given in Section 5.1 of the Explanatory Statement.

2019 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the period ended 30 June 2019, which can be downloaded from the Company's website at www.kingwestresources.com.au.

Annual General Meeting or **Meeting** means the Annual General Meeting of the Company convened by this Notice of Meeting.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Kingwest Resources** means Kingwest Resources Limited (ACN 624 972 185).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this Notice of the Annual General Meeting including the Explanatory Statement and Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Plan or Performance Rights Plan means the Performance Rights Plan adopted at the Company's general meeting held on 10 September 2019.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means that section of the Directors' report under the heading "Remuneration Report" set out in the 2019 Annual Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

SAR or Share Appreciation Right means a share appreciation right issued under the Plan with the terms and conditions set out in Schedule 2.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Trading Day has the meaning given to it in Chapter 19 of the ASX Listing Rules.

VWAP means the volume weighted average price of the Shares.

WST means Western Standard Time, as observed in Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 23 NOVEMBER 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
9 July 2019	606,060	Shares ²	Issued to a drilling supplier in lieu of services provided	Deemed price \$0.165 per share Share price on 9 July 2019 - \$0.16	Use of funds: Issued as consideration for drilling services provided to a value of \$100,000.
1 August 2019	10,000,000	Shares ²	Issued pursuant to a share placement to sophisticated investors	Issue price \$0.15 per share Share price on 1 August 2019 - \$0.225	Consideration: Cash \$1,500,000 Funds spent to date: \$1,000,000 Proposed use of funds: the funds raised were used to pay the remaining purchase consideration to the vendor of the Menzies Gold Project and the remaining funds will be used for exploration on the Menzies Gold Project.
18 September 2019	20,000,000	Shares ²	Issued to Horizon Minerals Limited as consideration for the Menzies Gold Project	Deemed Share price \$0.15 per share Share price on 18 September 2019 - \$0.26	Use of funds: Issued as consideration for the acquisition of the tenements that make up the Menzies Gold Project.
18 September 2019	16,666,666	Shares ²	Issued pursuant to a share placement to sophisticated investors	Issue price \$0.15 per share Share price on 18 September 2019 - \$0.26	Consideration: Cash \$2,500,000 Funds spent to date: Nil Proposed use of funds: the funds raised will be used for exploration on the Menzies Gold Project.
18 September 2019	2,500,000 2,700,000 5,150,000	Shares ² Unlisted Options ³ Unlisted Options ⁴	Issued to facilitators of the Menzies acquisition for services provided including negotiating the acquisition and legal/technical due diligence	Deemed Share price \$0.15 per share Share price on 18 September 2019 - \$0.26 Options were issued for a Nil issue price	Current value of the shares: \$637,500 Current value of the options: \$354,232 ³ Current value of the options: \$584,977 ⁴ The Shares and Options were issued in lieu of services provided and therefore no funds were raised as a result of the issue.
10 October 2019	1,970,000	Share Appreciation Rights	Employees and consultants	Price: Nil – issued as part of remuneration	Amount raised: Nil Use of funds: N/A Amount of funds remaining: N/A Value of non-cash consideration: \$367,011

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: KWR (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.39 each, on or before 30 June 2022. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 10 September 2019.
4. Unquoted Options, exercisable at \$0.54 each, on or before 30 June 2022. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 10 September 2019.

SCHEDULE 2 – TERMS OF SHARE APPRECIATION RIGHTS

- (a) **(Issue Price)**: The Share Appreciation Rights will be issued for nil cash consideration.
- (b) **(Vesting)**: The Share Appreciation Rights vest as follows, provided the holder remains employed or engaged by the Company on the vesting date:
 - (i) 50% of Share Appreciation Rights issued to a holder vest 12 months from 7 October 2019; and
 - (ii) 50% of Share Appreciation Rights issued to a holder vest 24 months from 7 October 2019.
- (c) **(Notification to holder)**: The Company shall notify the holder in writing within 10 Business Days of becoming aware that any vesting condition attached to a Share Appreciation Right has been satisfied.
- (d) **(Strike Price)**: The amount payable upon exercise of each Share Appreciation Right is the 10-day VWAP prior to 7 October 2019, being \$0.28.
- (e) **(Expiry Date)**: Each unexercised or unvested Share Appreciation Right shall expire on 7 October 2024.
- (f) **(Exercise on Vesting)**: Subject to the holder remaining employed or engaged by the Company on the vesting date, to exercise a vested Share Appreciation Right, the holder may at any time after the Board notifies that the Share Appreciation Right has vested and before it lapses by:
 - (i) providing the Company with the certificate for the Share Appreciation Rights in accordance with the terms of the Performance Rights Plan; and
 - (ii) providing the Company with a notice in the form of Schedule 3 of the Performance Rights Plan addressed to the Company and signed by the holder stating that the holder exercises the Share Appreciation Rights and specifying the number of Share Appreciation Rights which are exercised, and

the Company, at the Board's absolute discretion and in accordance with paragraph (g), will either

 - (iii) require the holder to pay the Strike Price per Share Appreciation Right being exercised in Australian currency in cleared funds into a bank account nominated in advance by the Company (or other means of payment acceptable to the Company), and will settle the exercise of those exercised Share Appreciation Rights by issuing Shares; or
 - (iv) notify the holder that the Company will settle exercise of the Share Appreciation Rights by way of a cash payment, pursuant to which the Company will settle the exercise of those exercised Share Appreciation Rights by making a cash payment equal to the value of the difference between the Strike Price of the Share Appreciation Rights and the current market value of Shares based on the 10-day VWAP of Shares prior to the day the holder is notified (**Premium**).
- (g) **(Exercise election)**: Subject to paragraph (s), upon exercise of a vested Share Appreciation Right, the holder or their nominee will be entitled to receive, at the absolute discretion of the Board, either:
 - (i) issue Shares, on the basis of 1 Share for each Share Appreciation Right; or

- (ii) make a cash payment equal to the Premium,

in accordance with the terms of the Performance Rights Plan.
- (h) **(Eligibility):** A holder of Share Appreciation Rights must remain eligible under the Plan at the time Share Appreciation Rights are granted, exercised and converted into Shares.
- (i) **(Share ranking):** All Shares issued upon the vesting and exercise of Share Appreciation Rights will upon issue rank pari passu in all respects with other Shares.
- (j) **(Nominee):** Upon receipt of an offer in accordance with the terms of the Performance Rights Plan, a holder may, by notice in writing to the Board, nominate a Nominee (as that term is defined in the Performance Rights Plan) in whose favour the holder wishes to renounce the Offer.
- (k) **(Company's obligations):** The Company will:
 - (i) issue the Shares or any cash payment to which the holder is entitled as soon as practicable after the exercise of a Share Appreciation Right; and
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (l) **(Application to ASX)** The Share Appreciation Rights will not be quoted on ASX. The Company will apply to ASX for official quotation of a Share issued on exercise of a Share Appreciation Right on ASX, subject to the Company being admitted to the Official List of the ASX at the time of issue of the Share on exercise of a Share Appreciation Right, within 10 Business Days of the later of the date the Shares are issued or the date that any restriction period that applies to the Shares ends.
- (m) **(Transfer of Share Appreciation Rights):** The Performance Rights are only transferable under special circumstances as set out in the Performance Rights Plan.
- (n) **(Participation in new issues)** A Share Appreciation Right does not entitle a holder (in their capacity as a holder of a Share Appreciation Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (o) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (p) **(Adjustment for bonus issue)** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Share Appreciation Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.
- (q) **(Dividend and Voting Rights):** The Share Appreciation Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

- (r) **(Change of Control):** In the event of a Change of Control, the Share Appreciation Rights will vest and the Company will, following exercise by the holder, either issue Shares or a cash payment at its election pursuant to paragraph (g).
- (i) For the purpose of this paragraph (r), **Change of Control** means:
- (A) a bona fide Takeover Bid (as that term is defined in the Corporations Act) is declared unconditional and the bidder has acquired a Relevant Interest Bid (as that term is defined in the Corporations Act) in at least 50.1% of the Company's issued Shares;
 - (B) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (C) in any other case, a person obtains Voting Power (as that term is defined in section 9 of the Corporations Act) in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (s) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Share Appreciation Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Share Appreciation Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Share Appreciation Right would result in a contravention of the General Prohibition:
- (i) holders may give written notification to the Company if they consider that the conversion of a Share Appreciation Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share Appreciation Right will not result in any person being in contravention of the General Prohibition;
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (n)(i) within seven days if the Company considers that the conversion of a Share Appreciation Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share Appreciation Right will not result in any person being in contravention of the General Prohibition.
- (t) **(No rights to return of capital)** A Share Appreciation Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (u) **(Rights on winding up)** A Share Appreciation Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (v) **(No other rights)** A Share Appreciation Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

- (w) **(Subdivision 83AC-C):** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Share Appreciation Right.

APPOINTMENT OF PROXY FORM

KINGWEST RESOURCES LIMITED
ACN 624 972 185

ANNUAL GENERAL MEETING

I /We

of:

being a Shareholder of Kingwest Resources Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

Name:

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit at the Annual General Meeting to be held at Level 11, London House, 216 St Georges Terrace, Perth WA 6000 at 11am WST on Friday, 22 November 2019 and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 5 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5 and 6 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Adrian Byass	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Jonathan Price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-Election of Mr Stephen Brockhurst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Share Appreciation Rights to Adrian Byass	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Share Appreciation Rights to Stephen Brockhurst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact telephone
(daytime):

E-mail address:

Consent for contact by e-mail
in relation to this Proxy Form:

YES ☐ NO ☐

KINGWEST RESOURCES LIMITED
ACN 624 972 185
Instructions for Completing "Appointment of Proxy" Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) send the Proxy Form by post to Kingwest Resources Limited, GPO Box 2517, PERTH WA 6831;
 - (b) send the Proxy Form by e-mail to **davidm@miningcorporate.com.au**; or
 - (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting being 11.00am WST on Wednesday 20 November 2019.

Proxy forms received later than this time will be invalid.